CEA ACTION PROPOSAL

Per California Code of Regulations, title 2, section 548.5, the following information will be posted to CalHR's Career Executive Assignment Action Proposals website for 30 calendar days when departments propose new CEA concepts or major revisions to existing CEA concepts. Presence of the department-submitted CEA Action Proposal information on CalHR's website does not indicate CalHR support for the proposal.

A. GENERAL INFORMATION

1. Date: 11/9/2022

2. Department: California Energy Commission

3. Organizational Placement (Division/Branch/Office Name)

Siting, Transmission and Environmental Protection Division

4. CEA Position Title

Deputy Director of the Power Plant Program

5. Summary of proposed position description and how it relates to the program's mission or purpose. (*2-3 sentences)*

The California Energy Commission (CEC) requests approval to establish and fill a CEA position as the Deputy Director of the Power Plant Program
within the Siting, Transmission and Environmental Protection (STEP) Division. This position will operate under the oversight and general direction of
the STEP Director and will provide high-level policy and administrative support on a range of complex energy issues relating to the development,
implementation, compliance, and administration of the Power Plant Program. The Deputy Director will support all aspects of division's responsibilities in this
area, including leading engagement with internal and external stakeholders, and providing oversight of branch managers, supervisors, and staff in
support of technical work products and administrative functions

6. Reports to: (*Class Title/Level*)

Director of Siting Transmission and Environmental Protection Division, CEA Level B

7. Relationship with Department Director (*Select one)*

☑ Member of department's Executive Management Team, and has frequent contact with director on a wide range of department-wide issues.

☐ Not a member of department's Executive Management Team but has frequent contact with the Executive Management Team on policy issues.

(*Explain*):

8. Organizational Level *(Select one)*

☐ 1st ☐ 2nd ☐ 3rd ☑ 4th ☐ 5th (mega departments only - 17,001+ allocated positions)

B. SUMMARY OF REQUEST

9. What are the duties and responsibilities of the CEA position? Be specific and provide examples.

Under the general direction of the Director of the Siting, Transmission and Environmental Protection division, the Deputy Director is responsible for assisting the Director in all aspects of the division's deliverables including principle policy making authority over the Power Plant Program and broad authority for a range of other administrative responsibilities supporting the program and it's branches, which includes the Safety and Reliability Branch, Siting and Environment Branch, and the Engineering Branch. With the recent passing of Assembly Bill (AB) 205, AB 209, and Senate Bill 846, the Power Plant Program now has 4 environmental review categories that have been reorganized in a matrix structure between the branches. In this capacity, the Deputy Director functions in the place of and as an extension of the Director. The Deputy Director supports all licensing and compliance aspects of the division's roles and responsibilities as a certified regulatory program that is "functionally equivalent" to California Environmental Quality Act (CEQA) process. The Deputy Director works with and directs division staff and engaging with internal and external stakeholders. In addition, the Deputy Director has a responsibility to manage and interact with division branch managers, supervisors, and staff regarding the division's analysis, and to provide oversight and management of the division's deliverables and policies.

The Deputy Director is responsible for the leadership and management direction in the critical planning and environmental review work for siting new clean energy generation and transmission in a manner that continues to ensure both energy system reliability and compliance with California's environmental laws and plays a mission critical role to ensure the lifetime license compliance and operation of 76 power plants under the jurisdiction of the CEC. These responsibilities help maintain the reliable, efficient, clean, and safe operation and reliability of California's electric system. This work is critical for the CEC as California moves to a zero-carbon electricity system and 100 percent clean energy future by licensing clean energy facilities under the newly-mandated AB 205 Opt-In expedited licensing program. The Deputy Director will oversee these new division programs and engage and support CEC leadership and external partners; functions as an extension of the Director, advising and collaborating with the Director advancing energy sector decarbonization, resilience, reliability, equity and policy matters. Leads the development and implementation of division policies and administrative activities, including: overseeing the Power Plant Program budget, work plans, and processes; assessing and supporting staff activities and performance; and overseeing the division's activities related to communication of program benefits.

The Power Plant Program Deputy Director has responsibility for the CEC divisional grant programs that require an environmental review of a potential pilot project. With the recent passage of AB 205, AB 209, the federal Infrastructure Investment and Jobs Act, and the federal Inflation Reduction Act, the division will provide additional CEQA needs conducting environmental reviews for long-duration energy storage, food production incentives, industrial decarbonization, carbon removal projects, green hydrogen, and climate innovation.

The Deputy Director also has responsibility for specific technical and programmatic leadership areas that include: review and analysis of energy facility compliance policies, power plant amendment projects, enforcement of conditions of certification, environmental analyses related to the CEC's site certification program for large thermal electric power plants and related infrastructure, post-certification monitoring system to ensure power plants are in compliance with air and water quality, and public health and safety as mandated by Public Resources Code section 25532, engineering analysis for applications for certification, power plant inspections, compliance project amendments and construction oversight and other policy issues related to the division's compliance program. Advises the Director, the Executive Director, and the Commissioners on compliance program and policy matters with respect to battery storage, grid modernization, tribal outreach and coordination, energy-water nexus, and environmental sustainability. This position will require close coordination with a range of other agencies local, federal, and state agencies such as the California Public Utilities Commission, California Independent System Operators, California Air Resources Board, California Department of Fish and Wildlife, and others to ensure alignment of environmental, resiliency, and equity goals for the state.

B. SUMMARY OF REQUEST (continued)

10. How critical is the program's mission or purpose to the department's mission as a whole? Include a description of the degree to which the program is critical to the department's mission.

- ☑ Program is directly related to department's primary mission and is critical to achieving the department's goals.
- ☐ Program is indirectly related to department's primary mission.
- ☐ Program plays a supporting role in achieving department's mission (i.e., budget, personnel, other admin functions).

Description:

The Warren-Alquist Act established the CEC in 1975 along with its core mandates. One of these mandates is for the CEC to ensure electrical energy is essential to the health, safety and welfare of the people of this state and to the state economy, and that it is the responsibility of the state to ensure that a reliable supply of electrical energy is maintained at a level consistent with the need for such energy for protection of public health and safety, for promotion of the general welfare, and for environmental quality protection. The CEC ensures that proposed energy facilities are located, constructed, operated, and decommissioned in a manner that protects the environment, public health, and safety. In addition, the Commission performs transmission infrastructure planning.

The STEP division's Power Plant Program effectively implements new and existing complex statutory mandates and initiatives that cut across energy resource areas (renewables, decarbonization, grid reliability, utility jurisdictions) and technologies. The program provides critical functions in support of the CEC's mission for a 100% clean energy future for all. The program's functions also meet the high-level goals of the state. The CEC has jurisdiction and permitting authority for thermal power plants 50 megawatts (MW) and greater in California. This jurisdiction also includes infrastructure associated with thermal power plants, including electric transmission lines, natural gas lines, and water pipelines. The CEC's permitting process ensures that proposed thermal power plants are designed, constructed, and operated in a manner that protects public health and safety, promotes the general welfare and preserves environmental quality. As a certified regulatory program, the licensing process is the functional equivalent of a California Environmental Quality Act review and includes coordination with local, state, and federal agencies to ensure that these agencies' permit requirements are incorporated. There are 76 power plants operating under CEC licenses, totaling roughly 26,600 MW.

The Power Plant Program also maintains a comprehensive compliance monitoring and enforcement program to ensure that permitted thermal power plants are operated and decommissioned in accordance with their conditions of certification and all applicable laws, ordinances, regulations, and standards. The CEC's post-certification compliance monitoring and enforcement authority can be found in Public Resources Code sections 25532 to 25534.2 and Title 20, California Code of Regulations, sections 1751 to 1770, as well as in conditions of certification within facility licenses.

The Power Plant Program plays a critical role in planning for future electric system infrastructure. The CEC has led and proactively collaborated with sister agencies on multiple landscape level planning efforts including the new mandates of Senate Bill (SB) 100, The 100 Percent Clean Energy Act, Assembly Bill (AB) 525, the Strategic Plan for Offshore Wind Energy in Federal Waters off the California Coast and the U.S. Bureau of Ocean Energy Management-California Offshore Wind Task Force, and multiple budget bills recently signed into law specific to the Strategic Reliability Reserve Program and the newly established Opt-In Permitting Program, Assembly Bill (AB) 205. The STEP division holds public workshops and issues analyses on California's climate and clean energy goals, renewable energy integration, future electric transmission needs, and proposed options for expanding the state's electric wholesale market throughout the western United States.

B. SUMMARY OF REQUEST (continued)

11. Describe what has changed that makes this request necessary. Explain how the change justifies the current request. Be specific and provide examples.

Climate change is causing unprecedented stress on California's energy system—driving high demand and constraining supply. Extreme weather events from climate change—including heat waves, wildfires, and the impact of drought on hydropower capacity, combined with other factors such as supply- chain disruptions—are jeopardizing California's ability to build out the electric infrastructure in the time frame and at the scale needed. California experienced our highest demand for electricity on September 6, 2022 as predicted early in 2022. To prepare for the extreme heat event key legislation was passed in June 2022 and in response to this unprecedented event, legislation was passed before the end of the 2021-22 legislation session, which has impacted the workload of the CEC increasing coordination with the California Public Utilities Commission (CPUC) and the type of required work moving forward in the Power Plant Program.

California's overall energy budget increased significantly and includes an additional $8.1 billion to support energy reliability, relief, and clean energy investments. Significant new work is directed at the division requiring collaboration with the CPUC and the Department of Water Resources (DWR) implementing the Strategic Electricity Reliability Program. A new $2.2 billion program to support strategic energy reserve resources is now available when the grid is stressed. This program establishes a new and significant role for the STEP division to work with CPUC counterparts on efficiency upgrades at both CEC and CPUC jurisdictional power plants to increase generation capacity while maintaining their existing CEC/CPUC permits; long-term extensions of PG&E's Diablo Canyon (CEC holds the checks and has compliance oversight on the CPUC and DWR efforts to engage in procurement contracts) including the required federal permit extensions; and, compliance oversight of power plants set to retire such as the Alamitos Generating Station, Huntington Beach Generating Station, and Ormond Beach Generating Station once-through-cooling facilities.

Since the May 2021 explosion and fire at the Russell City Energy Center, a 600-megawatt combined-cycle power plant, the Power Plant Program is required to coordinate inspections at all 44 combined-cycle power plants. Through this effort, inspections have already been completed at Sutter Energy Center and Gateway Generating Station. This will be a comprehensive program which if both the CEC and CPUC concur on potential violations, the CEC is required to move forward with joint legal action.

The division role has also expanded in coordinating with CPUC and the California Independent System Operator (CAISO) on battery storage projects. The Power Plant Program permits all the black start battery storage systems at jurisdictional power plants to assist in jump-starting the CPUC's distributions lines and the CAISO's transmission system when the electric grid goes down in a specific area of the state. The CEC has been the lead agency on fire suppression systems and general safety of these storage facilities. The state is now investing an additional $140 million into long duration storage incentives to support grid reliability. The CEC will once again coordinate with the CPUC on these projects since confirmation that these facilities are Renewable Portfolio Standards (RPS) - eligible and CPUC will use CEC approval and siting of these projects in their approval of long-term procurement contracts that the investor-owned utilities (IOUs) enter into with renewable energy companies.

The division role has also expanded to have oversight of certification of all renewable energy projects as RPS-eligible for the CPUC including onshore wind and residential and commercial solar projects, and short-term battery storage. The division's new role includes the Opt-In Permitting Program and Strategic Resources Reserves certification of new projects but also the inspections when there is a catastrophic event at a site. For example, PG&E's Elkhorn Battery Storage facility in Monterey County had a fire on September 20, 2022, that took the 256 MW system and the 115kV distribution system offline. This is the second fire at a battery storage facility in two years causing homes to be evacuated. These new areas of responsibility and policy implications covering new areas of focus and increased programmatic complexity require higher-level leadership support to ensure the state moves toward 100 percent clean energy resources by 2045. Additionally, the administration of these programs will necessitate the development of highly efficient administrative procedures, critical and strategic thinking, and a high degree of division leadership skill for the continued safety and reliability of the state's electricity system.

C. ROLE IN POLICY INFLUENCE

12. Provide 3-5 specific examples of policy areas over which the CEA position will be the principle policy maker. Each example should cite a policy that would have an identifiable impact. Include a description of the statewide impact of the assigned program.

Specific examples of policy areas over which this CEA position will be the principal policymaker include:

Opt-In (AB 205) – Provide an expedited licensing program for solar PV and terrestrial wind 50 MW or more, and energy storage facilities 200MWh or more, and facilities that manufacture and assembly renewable energy and energy storage system components, to be certified by the CEC. The division is required to complete an environmental impact report (EIR) for any project opting in and must decide on whether to certify the EIR and issue a license within 270 days of deeming an application complete. This process includes new projects owned by the Department of Water Resources such as their temporary power generators.

SB100 Grant Program and Interagency Planning Effort: $6.2m - Provide strategic leadership and policy direction for assessing, coordinating, improving and advising on a variety of complex CEC projects related to the assessment, construction, maintenance and operation of the California's electric system. This effort will independently assess technical energy issues being raised at other state and federal energy agencies; coordinating staff's assessment of elements which will affect CEC priorities; and informing management of the need for, value of, and progress on technical exchanges and formulation of policy with those agencies as a representative of the CEC. The effort will result in technical analyses related to construction, operation and impacts of the energy system, economic studies of alternative electric generation methods, evaluation of the need for new generation facilities, develop and analyze alternatives to California's electric generation systems, evaluate new electric generation technologies and their relationships to present and future resource plans, evaluate the design and approve implementation of generation system models, and evaluate the economic consequences of generation costs to the electric utilities and members of the public.

SB 846 Diablo Canyon Nuclear Power Plant ($1.4 Billion) – Provide an annual report on the power plant's outage information, operational costs, average revenues from electricity sales, and worker attrition.Certified Regulatory Program – Provide strategic leadership and policy direction that satisfies the requirements of the California Environmental Quality Act (CEQA). Environmental analyses are performed for large thermal electric power plants and related infrastructure proposed in California. The certification of thermal power plants is one of the seven core responsibilities of the CEC as set forth in the Warren-Alquist Act. The staff also conduct environmental analyses to support other programs of statewide importance, including the various energy-related grant and loan programs administered by the CEC. The program ensures that proposed thermal power plants are reviewed in a transparent, public proceeding and are designed, constructed, and operated in a manner that protects public health and safety, promotes the general welfare, and preserves environmental quality.

Compliance, Monitoring and Enforcement Program – Provide strategic leadership and policy direction for the Compliance, Monitoring and Enforcement Program. Recent energy reliability issues exacerbated by recurring wildfires and extreme heat events has led to rolling blackouts in California. The urgent need to site new infrastructure and to understand and prevent these system issues in the future requires leadership to accelerate and augment ongoing work to identify and understand the vulnerable components of the generation and transmission system, and to evaluate, recommend and support decisions regarding the future construction and upgrades of renewable energy infrastructure, develop supporting policy and to manage the retention, operation and retirements of jurisdictional powerplants in the natural gas fleet.

C. ROLE IN POLICY INFLUENCE (continued)

13. What is the CEA position's scope and nature of decision-making authority?

This position will provide leadership with decision-making authority and management direction for environmental and engineering analysis and deliverables, land use planning, technology innovation and research activities: advises leadership on research direction, and complex energy sector technology and policy matters. Responsible for formulating, reviewing, and implementing policies, regulations, procedures and administrative activities related to the areas listed above.

The position provides support and leadership for division and special projects such as policy reports, and legislation review that involve interoffice and interdivisional coordination and may require a timely response to Commissioners, the Legislature or Governor. This position will have decision-making authority within the subject areas overseen by three branches (Safety and Reliability, Siting and Environmental, and Engineering and Enforcement) under the oversight of the division director, and in consultation with statewide policymakers and a broad range of stakeholders. This position will also have broad decision-making authority to inform the administrative procedures of the division.

14. Will the CEA position be developing and implementing new policy, or interpreting and implementing existing policy? How?

This position will both advance current and recent policies that have been put forth by the Legislature and Governor and will be required to identify and develop additional policies and strategies that advance California's environmental and engineering analyses and mitigation measures, land use planning and equity goals as they relate to the state’s power plant program.

The CEA will participate with the Director in decisions on complex policy matters and on the overall activities, organization, and
long-term direction of the division. The CEA will develop policy statements, program direction, and division goals as needed.
The CEA will develop and implement new policy and interpret and implement existing policy in managing division programs and
projects. The CEA provides leadership and management direction, and advises and collaborates with the Director on complex
energy sector technology and policy matters.